



VIA E-MAIL ONLY

November 4, 2019

Stacy Guidry
Section Chief, Medicaid Program Operations and Compliance
State of Louisiana
Department of Health
Bienville Building
628 N. Fourth St.
Baton Rouge, Louisiana 70821-9030

RE: Notice of Action for Healthy Blue's NEMT Vendor/Provider Non-compliance

Dear Ms. Guidry,

Healthy Blue is in receipt of your letter dated October 21, 2019 and respectfully submits the below response to your request.

Healthy Blue (HBL) remains committed to meeting state and federal standards and requiring its brokers to do so as well. As evidenced below, Healthy Blue continues to monitor, supervise, and enforce contract compliance, as well as promote frequent, open, and effective communication that emphasizes delivery of quality services to members. We will continue to oversee LogistiCare's performance through daily collaboration, regular monitoring, and formalized auditing processes.

In addition to the current compliance and governance activities, Healthy Blue has proposed the below actions to improve broker compliance and service delivery to members. All proposed actions will be completed with ninety (90) days of approval by the Louisiana Department of Health (LDH).

LDH Finding	Current Status	Proposed Action
1. HBL failed to properly oversee and monitor its NEMT broker to ensure that all of its transportation providers are in compliance with insurance requirements in accordance with its contract with LDH.	As part of the annual vendor oversight audit, Healthy Blue requires its NEMT brokers to produce a policy and procedure outlining financial responsibility for current automobile insurance including sufficient general liability insurance /worker's compensation insurance as applicable, per state/federal regulations.	1. Develop audit process to assess a random sample of provider files to determine compliance with sections 2.6.8 and 2.6.9 of the emergency contract between Healthy Blue and LDH. 2. Issue corrective action plan for non-compliance requiring Logisticare to audit all provider

3850 North Causeway Blvd., Suite 600
Metairie, LA 70002
504.834.1271

www.healthyblueula.com

		<p>files and produce evidence of completion.</p> <p>3. Request LGTC create a P&P to address this issue.</p>
<p>2. HBL failed to properly oversee and monitor LGTC to ensure that the company consistently and timely provided transportation to critical medically necessary services, resulting in patient no-shows to appointments as reported by members and service providers.</p>	<p>Healthy Blue issued a corrective action plan to Logisticare for on-time performance in August 2019, which currently remains open. In accordance with the CAP, Logisticare produces a stand-alone on-time performance report and action plan for improvement. Progress on the action has been monitored via weekly and monthly calls.</p>	<p>1. Healthy Blue will implement a new transportation broker starting January 22, 2020. Included in the new broker's contract will be penalties for failure to comply with required timeframes for on-time performance and no-shows. Healthy Blue will implement monthly, quarterly, and annual monitoring for the new broker, including on-time performance reporting from the inception of the contract. Healthy Blue will also request the new broker's corrective action policy regarding transportation providers who do not meet service level requirements.</p> <p>2. Healthy Blue will continue to monitor and require LogistiCare's compliance with the action plan for the remainder of the contract.</p>
<p>3. HBL failed to properly oversee and monitor its NEMT brokerage program to ensure compliance with requirements in accordance with its contract with LDH and state law requirements.</p>	<p>Since LogistiCare's 2019 audit, Healthy Blue has enhanced the annual transportation audit tool elements to include state specific provisions.</p>	<p>Healthy Blue will continue to proactively evaluate and update its audit elements. Healthy Blue will also take the following action.</p> <p>1. Develop audit process to assess a random sample of provider files to determine compliance with all state requirements.</p> <p>2. Issue corrective action plan for non-compliance requiring Logisticare to audit all provider files and produce evidence of completion.</p>

		3. Request LGTC create a P&P to address this issue.
4. HBL failed to properly oversee and monitor LGTC to ensure compliance with all applicable provisions of 42 CFR §438. 608 and 438.610 pertaining to debarment and/or suspension.	<p>Healthy Blue requires Logisticare to screen its participating providers against applicable exclusion databases to verify eligibility to participate in federal and state health care programs, and notify Healthy Blue within one business day of any findings that may result in termination of a provider.</p> <p>Verifications must be conducted prior to hire or contracting with any new employee , temporary employee, volunteer, consultant, governing body member, subcontractor; and monthly verifications required thereafter, per 42 CFR §455.436; CMS Manual Chapter 21 Compliance Program Guidelines 50.6.8.</p> <p>During the 2019 annual audit, Logisticare was required to produce policies and evidence of employee screening. Logisticare provided their exclusion policies and OIG and SAM tracking mechanisms.</p>	<p>1. Healthy Blue will clarify audit elements to require Logisticare to screen its employee drivers, and participating providers and drivers against federal and state exclusion lists, in addition to current requirements.</p> <p>2. Healthy Blue will require Logisticare to develop a more stringent policy addressing exclusion screening of employees, employee drivers, and participating providers and drivers.</p> <p>3. Request LGTC create a P&P to address this issue.</p>
5. HBL has failed to properly oversee and monitor LGTC's performance.	Healthy Blue maintains a formal delegate/vendor oversight management program to facilitate compliance with applicable federal, state, and accreditation standards. This program includes pre-assessment of potential delegates prior to contract implementation,	1. Healthy Blue continues to proactively improve performance monitoring through means including but not limited to enhancement of health plan reports, greater stringency in contractual service level agreements, and

	<p>and an audit assessment at least annually thereafter.</p> <p>In accordance with the LDH contract provisions cited in this Notice of Action:</p> <ul style="list-style-type: none"> A) Healthy Blue has a written agreement with Logisticare specifying all functions delegated to Logisticare, including provisions for revoking delegation and/or imposing penalties. B) Healthy Blue monitors LogistiCare's performance on a monthly, quarterly, and annual basis. In addition to all LDH-required reports, Logisticare submits to Healthy Blue an internal monitoring tool used to review performance metrics established by AGP in accordance with state, federal and NCQA requirements, which is reviewed monthly. Monthly Operations Meetings, quarterly Joint Operation Meetings, and other committees formally review performance results both internally and with the Logisticare. C) Upon identification of deficient performance, Healthy Blue has issued corrective action plans to Logisticare. Logisticare is currently under corrective action for both on-time performance and reporting. 	<p>increased communication with vendors.</p> <p>2. Healthy Blue will impose more stringent penalties against its broker in the event of continued non-compliance.</p>
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In closing, Healthy Blue remains committed to meeting state and federal standards and requiring its brokers to do so as well. I hope that our response is satisfactory and meets with your approval.

Sincerely,

A handwritten signature in blue ink, appearing to read "Aaron Lambert". The signature is fluid and cursive, with the first name "Aaron" and last name "Lambert" clearly distinguishable.

Aaron Lambert
President, Healthy Blue